



27 February 2018

Creso reports first revenues of CHF 230,000 (A\$311,940) from cannaQIX® and anibidiol®

Highlights:

- **Creso Pharma and Doetsch Grether to launch Creso's cannaQIX® in Switzerland, contributing to first revenues in 2018, and opening the gateway for Creso's global commercialisation**
- **This launch and commercial partnership sets the cornerstone for Creso Pharma's global commercialisation strategy using Switzerland as a reference country.**
- **Creso reports first revenues of CHF 230,000 (A\$311,940) from cannaQIX® along with sales of Creso's animal health product, anibidiol®.**
- **The marketing and distribution of cannaQIX® follows an exclusive commercialisation agreement between the two companies to market and launch the products through Doetsch Grether's distribution channels.**
- **cannaQIX® is the first standardised nutraceutical containing organic hemp extract with CBD, vitamins and zinc aiming to reduce stress and support mental and nervous system functions.**
- **Creso has obtained the necessary approvals to market cannaQIX® in Switzerland as a Food Supplement compliant with Swiss Federal Food Law.**

Creso Pharma Limited (ASX:CPH, the "Company" or "Creso") and Doetsch Grether AG are pleased to announce the launch of Creso Pharma's cannaQIX® human health product in Switzerland and Liechtenstein in March 2018.

This launch and commercial partnership with Doetsch Grether AG sets the cornerstone for Creso Pharma's global commercialisation strategy for the product using Switzerland as a reference country.

cannaQIX® has contributed to Creso's first revenues of CHF230,000 (A\$311,940) along with sales of Creso's animal health product, anibidiol®, following the launch of that product in Switzerland in November 2017.

The cannaQIX® launch follows the commercial agreement between Creso Pharma and Doetsch Grether for the exclusive marketing and distribution of the product in the Swiss market for 10 years targeting more than 2,000 pharmacies and drug stores in Switzerland and Liechtenstein (EU country).



Doetsch Grether is one of the top 15 Pharma/OTC & Consumer Care companies in Switzerland. It is a medium-sized, family-owned company with traditional values specialised in the marketing and distribution of products in the pharma, OTC and consumer care Swiss market and has been operating since 1899. Doetsch Grether's portfolio consists of own brands, such as the famous Grether's Pastilles, as well as distribution brands which are marketed with sales teams support throughout Switzerland.

The target addressable market for complementary therapeutic solutions for stress and anxiety in Switzerland is estimated to grow to between CHF 30 to 40 million by 2022 (\$A40.7 to A\$54.2 million)¹.

Creso Pharma is currently in the process of finalising the access and distribution agreements in a number of key countries in Europe, as well as Latin America. Switzerland will be used as an international regulatory, quality and market reference country.

"We are proud to launch the cannaQIX[®] products with a highly reputable Swiss Pharma company such as Doetsch Grether and this launch paves the way for our global commercialisation efforts for the product" said Creso Pharma Co-Founder and Chief Executive Officer, Dr. Miri Halperin Wernli.

Thomas Wyss, CEO of Doetsch Grether Ltd added: "We see strong demand in safe and reliable hemp-derived products in the Swiss market. The cooperation with Creso Pharma gives us a great opportunity to bring a unique and attractive hemp-derived nutraceutical to the Swiss pharmacies and drugstores."

About cannaQIX[®]

cannaQIX[®] is the first standardised nutraceutical containing organic hemp extract with CBD, vitamins and zinc aiming to reduce stress and to support mental and nervous functions.

This effect is achieved due to its unique synergistic formula containing standardised full plant hemp extracts with CBD and seed oil, vitamins, zinc, and capsicum. By supplementing the body with needed cannabinoids, it contributes to a well-balanced endocannabinoid system in the body and regulates homeostasis.

The product is safe, well tolerated, non-euphoric, not-addictive and sugar free. The standardised user friendly strength and formulation allows a precise dosage control assuring a reliable and stable effect over several days.

The innovative buccal delivery formulation provides good absorption and high bioavailability.

¹ Company estimates based on information in the following source - Usage of Complementary Medicine in Switzerland: Results of the Swiss Health Survey 2012 and Development Since 2007 Sabine D. Klein*, Loredana Torchetti, Martin Frei-Erb, Ursula Wolf, Institute of Complementary Medicine, University of Bern, Bern, Switzerland: <http://journals.plos.org/plosone/article/file?id=10.1371/journal.pone.0141985&type=printable>



The cannaQIX® pastilles work faster and more efficiently than tablets or capsules which need to be swallowed and have a high percentage of their ingredients broken down and wasted when absorbed through the intestine and passed first through the liver. They are formulated to dissolve in the mouth and the active ingredients enter the blood stream directly through the mouth cavity, avoiding this first pass through the liver.

The proprietary QIX-technology-based delivery system contains capsicum, which accelerates the blood circulation in the mouth enhancing the buccal, sublingual delivery of the CBD, the vitamins and the zinc into the bloodstream.

With its pleasant taste, cannaQIX® supports continued use amongst consumers and differs markedly from the usually very bitter hemp oils or extracts.

cannaQIX® is confirmed compliant with the Swiss Federal Food Law 2017 and is produced in Switzerland in a Good Manufacturing Practice facility by Creso's partner Swiss-based food and pharma development company, Domaco, Dr. med Aufdermaur AG (Domaco) to the highest Swiss quality and with a "Swiss Made" label.

With cannaQIX®, Creso offers a safe and effective certified Food Supplement with broad access and no need for medical prescriptions.



Creso Pharma books first revenues in 2018

Creso Switzerland is pleased to report that it has booked its first revenues totaling CHF 230,000 (A\$311,940) from the initial sale of cannaQIX® and from the sales of its anibidiol® animal health product.

Following the first three months of sales of the anibidiol® CBD complementary feed product for companion animals, the commercial partnership with Virbac AG Switzerland points to a successful launch and an effective start to the commercial partnership. As well as broad regional media coverage of the product, Virbac AG also reports excellent feedback by veterinaries and pet owners.

anibidiol® supports the immune and defence systems of companion animals and contributes to balanced behavior.

Due to the unique formulation and positioning of cannaQIX®, combined with the current interest in CBD products and their effectiveness in animal and human health, Creso also expects a very successful launch of cannaQIX® in the Swiss market.

-ENDS-

Investor Enquiries:

Gabriella Hold
Media + Capital Partners
M: 0411 364 382
E: gabriella.hold@mcpartners.com.au

Media Enquiries:

Susannah Binsted
Media + Capital Partners
M: 0448 895 553
E: susannah.binsted@mcpartners.com.au

Corporate Queries:

EverBlu Capital
Level 39, Aurora Place
88 Phillip Street, Sydney, NSW 2000
E: info@everblucapital.com
P: +61 2 8249 0000



About Creso Pharma

www.cresopharma.com

Creso Pharma brings pharmaceutical expertise and methodological rigor to the cannabis world and strives for the highest quality in its products. It develops cannabis- and hemp-derived therapeutic, nutraceutical, and life style products with wide patient and consumer reach for human and animal health. Creso uses GMP development and manufacturing standards for its products as a reference of quality excellence with initial product registrations in Switzerland. It has worldwide rights for a number of unique and proprietary innovative delivery technologies which enhance the bioavailability and absorption of cannabinoids. Creso Pharma Switzerland develops, produces and markets worldwide cannabis and hemp- derived therapeutics, nutraceuticals and life style products for humans and complementary feed products for animals.

About Doetsch Grether

www.doetschgrether.ch

Doetsch Grether is one of the Top 15 Pharma /OTC & Consumer Care company in Switzerland. It is a medium-sized, family-owned company with traditional values specialised in the marketing and distribution of products in the pharma, OTC and consumer care in the Swiss market, privately owned and on the market since 1899.

Doetsch Grether's portfolio consists of their own brands, such as their famous Grether's Pastilles, and distribution brands which their marketing and sales team support throughout Switzerland.

About Domaco, Dr. med Aufdermaur AG

www.domaco-pharma.com

Domaco, Dr. med Aufdermaur AG is a Swiss-based food and pharma development company that owns the rights to a number of innovative delivery systems used to administer active ingredients through galenic forms which is a way of preparing and compounding medicines in order to optimize their absorption.